Case Study: EXPENSE MANAGEMENT

A partnership with Diners Club®
enhances the capabilities of
Inter IKEA’s travel group

Inter IKEA Lowers Costs, Delights Travelers with Diners Club® Co-Branded Corporate Card

SITUATION

Inter IKEA, headquartered in Belgium, provides support for many of the companies and franchised stores within the family of furniture manufacturer and retailer IKEA. These shared services include property management, legal support and travel services. As a multinational company with employees who travel extensively, Inter IKEA is ideally suited to benefit from working with a global expense management solution provider.

Eleven years ago, when Yves Galimidi joined the company to oversee travel services, he quickly established a partnership with Diners Club. His goal was to work with a corporate card provider that could help him to expand the capabilities of the organization’s internal travel department to provide the best possible service to the company’s many travelers. As he explained, “Previously I had worked at a large international travel agency and saw the expertise and flexibility that Diners Club brought to its client relationships. I knew that I wanted that level of talent and dedication supporting our efforts at Inter IKEA.”

SOLUTION

Over the years, Inter IKEA has worked closely with Diners Club to continually enhance the management of its travel services. Diners Club managers have found that Inter IKEA is an active partner, always open to exploring new ideas and opportunities for leveraging the relationship. This attitude has allowed Inter IKEA to excel in travel services and develop their capabilities for managing costs while offering a convenient, comfortable experience for travelers.

In 2004, after the demise of Belgium carrier Sabena, Inter IKEA began using the Diners Club card co-branded with British Airways. “For a long time, Diners Club was the only card that offered a link to airlines and their rewards programs,” Galimidi explained. “Using the Diners Club card that is co-branded with our preferred airline vendor is an important tool for us in achieving cost savings.” Inter IKEA goes a step further. Galimidi’s perspective is that since the company is spending the money that generates travel rewards, it is fair for Inter IKEA to share in
those rewards. Inter IKEA asks that a traveler applies his or her specific rewards to business, not personal, travel. He explains the guideline, “Everyone who joins the company is made aware of this policy before starting, and everyone in our company follows this policy — all the way up to the highest levels of management. When people know what to expect and can expect to be treated equitably, the solution is quite positive.”

For Inter IKEA’s employees, the relationship with Diners Club has increased the comfort of their travel with free access to more than 80 Diners Club airport lounges around the world. “Inter IKEA would never reimburse an employee the fees charged for using other airport lounges, so this is very valuable to our travelers. They know that when they are at the airport for an extended time, they have a comfortable and convenient place to work or relax before the next flight,” Galimidi pointed out.

RESULT

Through its relationship with Diners Club, Inter IKEA has developed world class travel services for its travelers who carry the Diners Club corporate card. The company’s rigor in applying and enforcing a single set of travel policies throughout the organization has helped to achieve near-perfect compliance. At the same time, employees are able to enjoy a number of benefits that make their travel time more comfortable and more productive.

The company’s forward looking strategies and willingness to consider new approaches for leveraging the card are projected to generate more than €35,000 in savings for 2005 and as much as €200,000 in savings for 2006. Inter IKEA and Diners Club continue to work together to seek new opportunities for strengthening the company’s world-class position in travel service management.

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